

Senate Study Bill 3044

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
WORKFORCE DEVELOPMENT
BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to unemployment insurance benefits and compliance
2 with federal law and including effective date and
3 applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 5473XD 82
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1 1 Section 1. Section 96.3, subsection 5, Code 2007, is
1 2 amended to read as follows:
1 3 5. a. DURATION OF BENEFITS. The maximum total amount of
1 4 benefits payable to an eligible individual during a benefit
1 5 year shall not exceed the total of the wage credits accrued to
1 6 the individual's account during the individual's base period,
1 7 or twenty-six times the individual's weekly benefit amount,
1 8 whichever is the lesser. The director shall maintain a
1 9 separate account for each individual who earns wages in
1 10 insured work. The director shall compute wage credits for
1 11 each individual by crediting the individual's account with
1 12 one-third of the wages for insured work paid to the individual
1 13 during the individual's base period. However, the director
1 14 shall recompute wage credits for an individual who is laid off
1 15 due to the individual's employer going out of business at the
1 16 factory, establishment, or other premises at which the
1 17 individual was last employed, by crediting the individual's
1 18 account with one-half, instead of one-third, of the wages for
1 19 insured work paid to the individual during the individual's
1 20 base period. Benefits paid to an eligible individual shall be
1 21 charged against the base period wage credits in the
1 22 individual's account which have not been previously charged,
1 23 in the inverse chronological order as the wages on which the
1 24 wage credits are based were paid. However if the state "off
1 25 indicator" is in effect and if the individual is laid off due
1 26 to the individual's employer going out of business at the
1 27 factory, establishment, or other premises at which the
1 28 individual was last employed, the maximum benefits payable
1 29 shall be extended to thirty-nine times the individual's weekly
1 30 benefit amount, but not to exceed the total of the wage
1 31 credits accrued to the individual's account.

1 32 b. TRAINING EXTENSION BENEFITS. An individual who has
1 33 been separated from a declining occupation or who has been
1 34 involuntarily separated from employment as a result of a
1 35 permanent reduction of operations at the last place of
2 1 employment and who is in training with the approval of the
2 2 director at the time regular benefits are exhausted may be
2 3 eligible for training extension benefits. A declining
2 4 occupation is one in which there is a lack of sufficient
2 5 current demand in the individual's labor market area for the
2 6 occupational skills for which the individual is fitted by
2 7 training and experience or current physical or mental capacity
2 8 and the lack of employment opportunities is expected to
2 9 continue for an extended period of time, or the individual's
2 10 occupation is one for which there is a seasonal variation in
2 11 demand in the labor market and the individual has no other
2 12 skill for which there is current demand. The training
2 13 extension benefit amount shall be twenty-six times the
2 14 individual's weekly benefit amount and the weekly benefit
2 15 amount shall be equal to the individual's weekly benefit
2 16 amount for the claim in which benefits were exhausted while in
2 17 training. An individual who is receiving training extension

2 18 benefits shall not be denied benefits due to application of
2 19 section 96.4, subsection 3, or section 96.5, subsection 3.
2 20 However, an employer's account shall not be charged with
2 21 benefits so paid. Relief of charges under this paragraph "b"
2 22 applies to both contributory and reimbursable employers,
2 23 notwithstanding section 96.8, subsection 5. In order for the
2 24 individual to be eligible for training extension benefits all
2 25 of the following criteria must be met:

2 26 (1) The training is for a high-demand or high-technology
2 27 occupation, including fields of life sciences, advanced
2 28 manufacturing, biotechnology, alternative fuels, insurance,
2 29 and environmental technology. "High-demand occupation" means
2 30 an occupation in a labor market area in which the department
2 31 determines work opportunities are available and there is a
2 32 lack of qualified applicants.

2 33 (2) The individual must file any unemployment insurance
2 34 claim to which the individual becomes entitled under state or
2 35 federal law, and must draw any unemployment insurance benefits
3 1 on that claim until the claim has expired or has been
3 2 exhausted, in order to maintain the individual's eligibility
3 3 under this paragraph "b". The state benefits paid shall be
3 4 deducted from the total of the training extension benefit
3 5 amount. Training extension benefits end upon completion of
3 6 the training even though a portion of the training extension
3 7 benefit amount may remain.

3 8 (3) To the extent permitted by federal law, benefits
3 9 payable under any federal unemployment compensation law shall
3 10 be included as benefits payable under this paragraph "b".

3 11 (4) The individual must be enrolled, participating in the
3 12 training, and making satisfactory progress to complete the
3 13 training.

3 14 (5) The individual is considered to be in training during
3 15 regularly scheduled vacation or recess periods of three weeks
3 16 or less but not during a summer vacation period or school
3 17 break which is longer than three weeks. If the individual
3 18 immediately returns to training after the summer vacation or
3 19 break period of longer than three weeks, the individual may
3 20 reopen the training extension benefit claim. Otherwise, the
3 21 individual must be continuously in training in order to be
3 22 eligible for training extension benefits.

3 23 (6) The beginning date of the training extension benefits
3 24 is more than three years after the beginning date of any
3 25 training extension benefits last received by the individual
3 26 under this paragraph "b".

3 27 Sec. 2. Section 96.4, subsection 4, Code 2007, is amended
3 28 to read as follows:

3 29 4. a. The individual has been paid wages for insured work
3 30 during the individual's base period in an amount at least one
3 31 and one-quarter times the wages paid to the individual during
3 32 that quarter of the individual's base period in which the
3 33 individual's wages were highest; provided that the individual
3 34 has been paid wages for insured work totaling at least three
3 35 and five-tenths percent of the statewide average annual wage
4 1 for insured work, computed for the preceding calendar year if
4 2 the individual's benefit year begins on or after the first
4 3 full week in July and computed for the second preceding
4 4 calendar year if the individual's benefit year begins before
4 5 the first full week in July, in that calendar quarter in the
4 6 individual's base period in which the individual's wages were
4 7 highest, and the individual has been paid wages for insured
4 8 work totaling at least one-half of the amount of wages
4 9 required under this ~~subsection~~ paragraph in the calendar
4 10 quarter of the base period in which the individual's wages
4 11 were highest, in a calendar quarter in the individual's base
4 12 period other than the calendar quarter in which the
4 13 individual's wages were highest. The calendar quarter wage
4 14 requirements shall be rounded to the nearest multiple of ten
4 15 dollars.

4 16 b. For an individual who does not have sufficient wages in
4 17 the base period, as defined in section 96.19, to otherwise
4 18 qualify for benefits pursuant to this subsection, the
4 19 individual's base period shall be the last four completed
4 20 calendar quarters immediately preceding the first day of the
4 21 individual's benefit year if such period qualifies the
4 22 individual for benefits under this subsection.

4 23 (1) Wages that fall within the alternative base period
4 24 established under this paragraph "b" are not available for
4 25 qualifying benefits in any subsequent benefit year.

4 26 (2) Employers shall be charged in the manner provided in
4 27 this chapter for benefits paid based upon quarters used in the
4 28 alternative base period.

4 29 c. If the individual has drawn benefits in any benefit
4 30 year, the individual must during or subsequent to that year,
4 31 work in and be paid wages for insured work totaling at least
4 32 two hundred fifty dollars, as a condition to receive benefits
4 33 in the next benefit year.
4 34 Sec. 3. Section 96.5, subsection 1, Code Supplement 2007,
4 35 is amended by adding the following new paragraph:

5 1 NEW PARAGRAPH. b. The individual left employment to
5 2 accompany a spouse due to a change in location of the spouse's
5 3 employment to a place from which it is impractical for the
5 4 individual to commute.

5 5 Sec. 4. Section 96.5, subsection 1, paragraph c, Code
5 6 Supplement 2007, is amended to read as follows:

5 7 c. ~~The individual left employment for the necessary and~~
~~5 8 sole purpose of taking care of a member of the individual's~~
~~5 9 immediate family who was then injured or ill, and if after~~
~~5 10 said member of the family sufficiently recovered, the~~
~~5 11 individual immediately returned to and offered the~~
~~5 12 individual's services to the individual's employer, provided,~~
~~5 13 however, that during such period the individual did not accept~~
~~5 14 any other employment. The individual left employment as a~~
~~5 15 result of the illness, injury, or disability of a member of~~
~~5 16 the individual's immediate family.~~

5 17 Sec. 5. Section 96.5, subsection 1, Code Supplement 2007,
5 18 is amended by adding the following new paragraph:

5 19 NEW PARAGRAPH. k. The individual left employment due to
5 20 domestic abuse, as defined in section 236.2, or stalking, as
5 21 described in section 708.11, perpetrated against the
5 22 individual, and the individual reasonably believed such act
5 23 was necessary to protect the safety of the individual or the
5 24 individual's family. Benefits related to wage credits earned
5 25 with the employer that the individual has left shall be
5 26 charged to the unemployment compensation fund. This paragraph
5 27 applies to both contributory and reimbursable employers,
5 28 notwithstanding section 96.8, subsection 5. All evidence of
5 29 domestic abuse or stalking experienced by an individual,
5 30 including the individual's statement and any corroborating
5 31 evidence, shall not be disclosed by the department, except to
5 32 the parties in a contested benefit case proceeding and to the
5 33 employment appeal board or courts in an appeal or unless
5 34 consent for disclosure is granted in writing by the
5 35 individual. Evidence of domestic abuse or stalking may

6 1 include but is not limited to any of the following:

6 2 (1) A statement or report from a law enforcement agency or
6 3 professional, medical professional, mental health
6 4 professional, or domestic violence shelter or professional.

6 5 (2) Witness statements regarding an incident that causes
6 6 the individual to believe the individual's life or safety or
6 7 the life or safety of a member of the individual's family is
6 8 in danger.

6 9 Sec. 6. Section 96.23, subsection 2, Code 2007, is amended
6 10 to read as follows:

6 11 2. The individual did not receive wages from insured work
6 12 for two calendar quarters and did not receive wages from
6 13 insured work for another calendar quarter equal to or greater
6 14 than the amount required for a calendar quarter, other than
6 15 the calendar quarter in which the individual's wages were
6 16 highest, under section 96.4, subsection 4, paragraph "a".

6 17 Sec. 7. FUTURE APPROPRIATION OF FEDERAL FUNDS. Any funds
6 18 received by this state from the federal government pursuant to
6 19 section 903 of the federal Social Security Act as a result of
6 20 the enactment of this Act shall be appropriated by the general
6 21 assembly to the department of workforce development to be used
6 22 for the payment of unemployment insurance benefits or for the
6 23 administration of the Iowa employment security law, chapter
6 24 96, and public employment offices.

6 25 Sec. 8. EFFECTIVE AND APPLICABILITY DATES. The section of
6 26 this Act amending section 96.3 applies to any week of
6 27 unemployment benefits beginning on or after July 1, 2008. The
6 28 sections of this Act amending sections 96.4 and 96.5 take
6 29 effect June 29, 2008, and apply to any claim with an effective
6 30 date on or after June 29, 2008.

6 31 EXPLANATION

6 32 This bill relates to unemployment insurance benefits and
6 33 brings Iowa into compliance with federal law in order to
6 34 receive additional federal funds.

6 35 The bill establishes a benefits extension for individuals
7 1 enrolled in a training program. The individual must be
7 2 separated from a declining occupation or have been
7 3 involuntarily separated as a result of a permanent reduction
7 4 of operations at the last place of employment. Regular

7 5 benefits must be exhausted and the individual must be in a
7 6 training program that is in a high=demand or a high=technology
7 7 occupation which is targeted for growth and approved by the
7 8 department of workforce development. The training extension
7 9 provides a maximum of 26 additional weeks of benefits from
7 10 which is deducted any federal extended benefits or succeeding
7 11 year state regular benefits.

7 12 An alternate method of calculating the base period, to
7 13 determine the monetary attachment=to=the=workforce eligibility
7 14 of individuals for unemployment benefits, is also included for
7 15 cases where the current method of calculation makes an
7 16 individual ineligible for unemployment benefits. The bill
7 17 moves the base period closer, by one quarter, to the benefit
7 18 claim filing date so that the base period would consist of the
7 19 first four calendar quarters immediately preceding the
7 20 calendar quarter in which the claim for unemployment benefits
7 21 is filed if doing so would qualify the individual for
7 22 benefits.

7 23 The bill provides for benefits to an individual who leaves
7 24 a job to accompany a spouse due to a change of location of the
7 25 spouse's employment to a place where commuting for the
7 26 individual is not practical. The bill provides for benefits
7 27 to an individual who leaves a job as a result of the illness,
7 28 injury, or disability of a member of the individual's
7 29 immediate family.

7 30 The bill allows an individual to collect unemployment
7 31 benefits due to domestic violence or stalking under certain
7 32 circumstances and allows the employer to be relieved of
7 33 charges of unemployment benefits paid due to the domestic
7 34 violence or stalking. The bill requires the department to
7 35 keep the record confidential to protect the safety of the
8 1 individual.

8 2 The bill also directs any possible future federal funds as
8 3 a result of the bill to be appropriated to the department for
8 4 the payment of unemployment insurance benefits or for the
8 5 administration of the Iowa employment security law under Code
8 6 chapter 96 and public employment offices.

8 7 The effective and applicability date of the bill section
8 8 amending Code section 96.3 begins on or after July 1, 2008.
8 9 Sections of the bill amending Code sections 96.4 and 96.5
8 10 become effective and applicable to any claim effectively filed
8 11 on or after June 29, 2008.

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